RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 03-0275290 IN THE GIDDINGS (AUSTIN CHALK-3) AND GIDDINGS (AUSTIN CHALK, GAS) FIELDS, LEE COUNTY, TEXAS

FINAL ORDER APPROVING THE APPLICATION OF WCS OIL AND GAS CORPORATION WOLZ UNIT, GIDDINGS (AUSTIN CHALK-3) AND GIDDINGS (AUSTIN CHALK, GAS) FIELDS LEE COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on April 17, 2012, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and recommendation, the findings of fact and conclusions of law contained therein, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is ordered by the Railroad Commission of Texas that the WCS Oil & Gas Corporation, Wolz Unit in the Giddings (Austin Chalk-3) and Giddings (Austin Chalk, Gas) Fields is granted an exception to Statewide Rule 86 and Special Field Rule No. 4(3) of the field rules for the Giddings (Austin Chalk-3) and Giddings (Austin Chalk, Gas) Fields as follows: The entire Wolz Unit, 276.87 acres, is assigned as the base proration unit for plat purposes. For proration purposes, a P-15 shall be filed for Well No. 1H and Well No. 2RE designating ½ of 276.87 acres as the assigned acreage. The allowable for Well No. 1H and Well No. 2RE calculated by the Commission shall be based on ½ of 276.87 acres.

Done this 12th day of June, 2012.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated June 12, 2012)